
BellSouth Telecommunications, Inc.

Legal Department

1600 Williams Street

Suite 5200

Columbia, SC 29201

patrick.turner@bellsouth.com

Patrick W. Turner

General Counsel-South Carolina

803 401 2900

Fax 803 254 1731

April 3, 2007

The Honorable Charles Terreni
Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, South Carolina 29211

Re: Proceedings to Establish Guidelines for an Intrastate Universal Service
Fund
Docket No. 1997-239-C

Dear Mr. Terreni:

In compliance with the Commission Directive dated March 7, 2007 in this Docket, BellSouth Telecommunications, Inc. d/b/a AT&T South Carolina ("AT&T") respectfully submits specific issues that it believes should be further explored in this Docket. Consistent with its letter of February 21, 2007, AT&T believes that wholesale modifications that go to the very heart of the Commission's State USF Orders, Guidelines, and Procedures should not be considered during the pendency of the appeals of various Commission Orders addressing the State USF. However, some review and possible modification of the State USF may be appropriate. AT&T, therefore, respectfully suggests that the Commission consider the following issues at this time:

1. What changes to the Commission's State USF Orders, Guidelines, and Procedures are necessary or appropriate to bring those items into conformity with 2004 Act No. 175?
2. Should administrative changes be considered to reduce the lag between the time period addressed by the revenue that is reported to the administrator of the fund and the implementation of the new assessment factor?

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COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.**

The Honorable Charles Terreni
April 3, 2007
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AT&T does not mean to suggest that these are the only issues that appropriately could be considered in this docket, and AT&T welcomes the opportunity to comment on any issues that may be submitted by other parties.

Sincerely,

Patrick W. Turner / Ed w/permission

Patrick W. Turner

PWT/sgm
673307

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND) CERTIFICATE OF SERVICE

The undersigned, Jeanette B. Mattison, hereby certifies that she is employed by the Legal Department for AT&T South Carolina (“AT&T”) and that she has caused AT&T’s Letter dated April 3, 2007 in Docket No. 97-239-C to be served upon the following this April 3, 2007:

Florence P. Belser
General Counsel
Post Office Box 11263
Columbia, South Carolina 29211
(Office of Regulatory Staff)
(U. S. Mail and Electronic Mail)

Frank Ellerbe, III, Esquire
Robinson, McFadden
Post Office Box 944
Columbia, South Carolina 29202
(SECCA)
(SCCTA)
(Time Warner Telecom of SC, LLC)
(CompSouth)
(U.S. Mail and Electronic Mail)

Bonnie D. Shealy, Esquire
Robinson, McFadden
Post Office Box 944
Columbia, South Carolina 29202
(SECCA)
(SCCTA)
(Time Warner Telecom of SC, LLC)
(CompSouth)
(U.S. Mail and Electronic Mail)

F. David Butler, Esquire
Senior Counsel
South Carolina Public Service Commission
Post Office Box 11649
Columbia, South Carolina 29211
(U.S. Mail and Electronic Mail)

Jocelyn G. Boyd, Esquire

Staff Attorney
S. C. Public Service Commission
Post Office Box 11649
Columbia, South Carolina 29211
(PSC Staff)
(U. S. Mail and Electronic Mail)

Joseph Melchers
Chief Counsel
S.C. Public Service Commission
Post Office Box 11649
Columbia, South Carolina 29211
(PSC Staff)
(U.S. Mail and Electronic Mail)

Dulaney L. O’Roark III, Esquire
6 Concourse Parkway, Suite 600
Atlanta, GA 30328
(MCI, Inc.)
(U. S. Mail and Electronic Mail)

M. Zel Gilbert, Esquire
Director-External Affairs
Sprint
1122 Lady Street, Suite 1050
Columbia, South Carolina 29201
(U.S. Mail and Electronic Mail)

John F. Beach, Esquire
John J. Pringle, Jr., Esquire
Ellis Lawhorne & Sims, P.A.
Post Office Box 2285
Columbia, South Carolina 29202
(SCPCA)
(NuVox Communications, Inc.)
(U.S. Mail and Electronic Mail)

Scott A. Elliott, Esquire
Elliott & Elliott, P.A.
721 Olive Street
Columbia, South Carolina 29205
(United Telephone & Sprint Communications)
(U.S. Mail and Electronic Mail)

William R. Atkinson
Sprint

3065 Cumberland Circle
Mailstop GAATLD0602
Atlanta, Georgia 30339
(U.S. Mail and Electronic Mail)

Faye A. Flowers, Esquire
Parker Poe Adams & Bernstein LLP
Post Office Box 1509
Columbia, South Carolina 29202-1509
(LCI International)
(U.S. Mail and Electronic Mail)

Robert E. Tyson, Jr., Esquire
Sowell Gray Stepp & Laffitte, LLC
1310 Gadsden Street
Columbia, South Carolina 35802
(ITC^DeltaCom Communications, Inc.)
(U.S. Mail and Electronic Mail)

Jean Houck
ITC^DeltaCom/BTI
7037 Old Madison Pike
Suite 400
Huntsville, Alabama 35806
(U.S. Mail and Electronic Mail)

Darra W. Cothran, Esquire
Woodward, Cothran & Herndon
1200 Main Street, 6th Floor
Post Office Box 12399
Columbia, South Carolina 29211
(MCI)
(U.S. Mail and Electronic Mail)

M. John Bowen, Jr., Esquire
McNair Law Firm
Post Office Box 11390
Columbia, South Carolina 29211
(SCTA & SCTC)
(U.S. Mail and Electronic Mail)

Stan J. Bugner, State Director
Verizon Select Services, Inc.
1301 Gervais Street, Suite 825
Columbia, South Carolina 29201
(U.S. Mail and Electronic Mail)

Steven W. Hamm, Esquire
Richardson, Plowden, Carpenter & Robinson
Post Office Box 7788
Columbia, South Carolina 29202
(U.S. Mail and Electronic Mail)

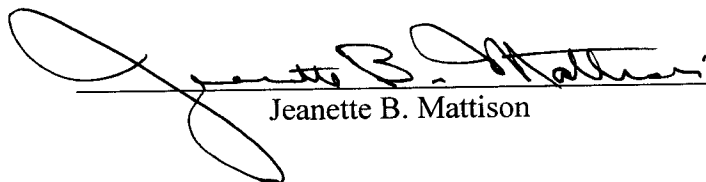
Susan B. Berkowitz, Esquire
SC Appleseed Legal Justice Center
Post Office Box 7187
Columbia, South Carolina 29202
(U.S. Mail and Electronic Mail)

John M. S. Hoefer, Esquire
Willoughby & Hoefer, PA
Post Office Box 8416
Columbia, South Carolina 29202-8416
(Verizon)
(U.S. Mail and Electronic Mail)

Craig K. Davis, Esquire
1420 Hagood Drive
Columbia, South Carolina 29205
South Carolina Office of Info. Resources Budget & Control Board
(U.S. Mail and Electronic Mail)

Gene V. Coker, Esquire
1230 Peachtree Street, NE
Fourth Floor
Atlanta, Georgia 30309
(AT&T)
(U.S. Mail and Electronic Mail)

Robert D. Coble, Esquire
Nexsen, Pruet, Adams, Kleemeier
1441 Main Street, Suite 1500
Columbia, South Carolina 29201
(Alltel South Carolina Incorporated)
(U.S. Mail and Electronic Mail)



Jeanette B. Mattison